

EXHIBIT C

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UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

UNITED STATES SECURITIES)
AND EXCHANGE COMMISSION,)
Plaintiff,) Case No. 1:19-cv-05244
v.)
KIK INTERACTIVE INC.,)
Defendant.)
_____)

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VIDEOTAPED DEPOSITION OF
ERAN BEN-ARI
Tuesday, November 5, 2019
Washington, D.C.

Reported by:

Lori J. Goodin, RPR, CLR, CRR, RSA
California CSR #13959
JOB No. 191105LJG

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14:38:11 1 Q. Are there any other agreements
14:38:13 2 between you and Kik following your departure?

14:38:16 3 A. No.

14:38:17 4 Q. Are you being compensated for your
14:38:20 5 time today?

14:38:20 6 A. Just reasonable, you know, air fare
14:38:23 7 and hotel, and having a meal or something.

14:38:28 8 And for the days that I am not at
14:38:30 9 work.

14:38:31 10 Q. Are you getting --

14:38:32 11 A. I have to take days off.

14:38:33 12 Q. Are you getting a per diem for the
14:38:36 13 days that you have to take off from work?

14:38:37 14 A. Yes.

14:38:38 15 Q. How much are you receiving?

14:38:40 16 A. I don't remember how much I asked
14:38:42 17 last time, but basically I took my salary and
14:38:44 18 divided by the number of days that I work in a
14:38:46 19 year and the number of days that I'm here is
14:38:53 20 multiplied by that rate.

14:38:55 21 Q. Is that like just an informal
14:38:57 22 agreement or is it on paper?

14:38:59 23 A. Through e-mail.

14:39:00 24 Q. Have you paid any legal bills
14:39:02 25 related to the SEC's investigation or this

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14:39:03 1 lawsuit?

14:39:04 2 A. No.

14:39:05 3 Q. Do you have an understanding who is
14:39:07 4 covering those bills?

14:39:08 5 A. Yes.

14:39:09 6 Q. Who?

14:39:09 7 A. Kik.

14:39:11 8 Q. And you haven't paid any out of
14:39:14 9 pocket costs like for your travel to D.C. or
14:39:16 10 anything?

14:39:17 11 A. I have.

14:39:18 12 Q. Unreimbursed or is Kik covering
14:39:21 13 that?

14:39:21 14 A. Oh, Kik hopefully will reimburse,
14:39:23 15 yes.

14:39:25 16 Q. What professionally have you been
14:39:27 17 doing after Kik?

14:39:29 18 A. I have been, I joined another
14:39:31 19 company called [REDACTED] and I fulfill the same
14:39:34 20 role as Chief Product Officer.

14:39:36 21 Q. And you are still there?

14:39:37 22 A. Yes.

14:39:38 23 Q. And we talked about this at the
14:39:40 24 beginning. You are living in the Toronto area
14:39:43 25 now?

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14:39:43 1 A. Yes.

14:39:44 2 MR. MENDEL: Okay. Can we go off
14:39:46 3 the record.

14:39:46 4 THE VIDEOGRAPHER: The time is
14:39:47 5 2:40 p.m. and we are going off the record.

14:39:49 6 (Recess taken -- 2:40 p.m.)

14:51:19 7 (After recess -- 2:52 p.m.)

14:51:19 8 THE VIDEOGRAPHER: The time is
14:51:20 9 2:52 p.m. and we are back on the record.

14:51:23 10 BY MR. MENDEL:

14:51:24 11 Q. I just want to fill in some of the
14:51:26 12 details about what we just talked about in terms
14:51:28 13 of your compensation for testimony.

14:51:29 14 So, I think you said that basically
14:51:34 15 it is your salary divided by 365 is like your
14:51:37 16 daily rate; is that right?

14:51:38 17 How is that, you are deciding, your
14:51:42 18 compensation rate for testimony?

14:51:44 19 A. Yes, I took the annual salary that I
14:51:47 20 have, I divided it by the days that I work and
14:51:51 21 then multiplied by the number of days that I have
14:51:54 22 to come here and testify.

14:51:56 23 Q. What is your daily rate then?

14:51:58 24 A. I don't remember. I, last time we
14:52:01 25 did it was like a year ago when I asked for the

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14:52:07 1 reimbursement of that.

14:52:08 2 Q. So, you got, it was the same deal a
14:52:09 3 year ago for your investigative testimony?

14:52:10 4 A. Yes.

14:52:11 5 Q. What was the rate that they came up
14:52:13 6 with a year ago?

14:52:14 7 A. So, I don't remember that. That is
14:52:16 8 the part I don't remember.

14:52:17 9 Q. What is your salary now?

14:52:18 10 A. It is [REDACTED] annual.

14:52:21 11 Q. Canadian?

14:52:22 12 A. Yes.

14:52:24 13 Q. And how many days a year do you
14:52:26 14 work?

14:52:27 15 A. How many days of the year did I
14:52:29 16 work?

14:52:29 17 Q. Yes, what would you divide that by
14:52:31 18 to arrive at your daily rate?

14:52:33 19 A. So, it is [REDACTED] plus [REDACTED]
14:52:36 20 variable, and that would divide that by I think
14:52:43 21 22.5 days per month, times 12.

14:52:49 22 Q. So, you work about 270 days a year;
14:52:58 23 is that right, roughly, correct?

14:52:59 24 A. Yes.

14:53:00 25 Q. So, if then your approach, your

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14:53:03 1 mathematical approach would be [REDACTED] divided by
14:53:07 2 270. Do I have that right?

14:53:08 3 A. Yes.

14:53:09 4 Q. So, your daily rate would be [REDACTED]
14:53:13 5 Canadian dollars for providing testimony?

14:53:17 6 A. Yes, I don't remember if I divided
14:53:18 7 that [REDACTED], or [REDACTED] because the [REDACTED] is
14:53:22 8 variable.

14:53:23 9 Q. I see.

14:53:23 10 A. But, more or less that was the
14:53:25 11 calculation, yes.

14:53:26 12 Q. So, then [REDACTED] divided by 270
14:53:29 13 would be [REDACTED] Canadian dollars?

14:53:31 14 A. Yes.

14:53:32 15 Q. So, it is between that and [REDACTED],
14:53:34 16 right?

14:53:34 17 A. Yes.

14:53:35 18 Q. Okay. And you had a similar deal
14:53:36 19 when you provided investigative testimony, right,
14:53:38 20 last year?

14:53:39 21 A. Yes.

14:53:39 22 Q. And that would apply to your days of
14:53:44 23 preparation time for your testimony, correct?

14:53:45 24 A. It is days of work that I have to be
14:53:47 25 absent from work. So, in --

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14:53:51 1 Q. Does work still pay you or do you
14:53:53 2 take vacation days?

14:53:55 3 A. I have to take vacation days.

14:53:59 4 Q. What did you do to prepare for
14:54:00 5 today's testimony?

14:54:01 6 A. I met with my legal counsels.

14:54:03 7 Q. When?

14:54:04 8 A. Yesterday.

14:54:06 9 Q. Did you, for how long did you meet
14:54:10 10 yesterday?

14:54:11 11 A. From 9:00 to 5:00, I think.

14:54:17 12 Q. And you looked at documents?

14:54:19 13 A. Yes.

14:54:19 14 Q. About how many documents did you
14:54:21 15 review?

14:54:22 16 A. Around 60.

14:54:25 17 Q. Did you do anything to prepare for
14:54:27 18 your deposition today before yesterday?

14:54:32 19 A. Yes.

14:54:33 20 Q. What did you do?

14:54:34 21 A. I read through the transcript of my
14:54:39 22 testimony a year ago.

14:54:40 23 Q. Anything else?

14:54:41 24 A. Meditated.

14:54:45 25 Q. How long did you spend reviewing

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14:54:50 1 your transcript?

14:54:51 2 A. Probably a couple of hours. Two,
14:54:56 3 three hours.

14:54:56 4 Q. And, you traveled, too, right?

14:54:58 5 A. Yes.

14:54:59 6 Q. And you traveled on Sunday?

14:55:00 7 A. Yes, Sunday night.

14:55:04 8 Q. And so is your compensation applying
14:55:05 9 to your time reading the transcript and your time
14:55:08 10 travelling?

14:55:08 11 A. No.

14:55:08 12 Q. No. Okay. Just prep time yesterday
14:55:14 13 and your deposition today?

14:55:15 14 A. Yes.

14:55:16 15 Q. Okay. Is it your testimony -- again
14:55:52 16 a detail about the compensation that you are
14:55:53 17 getting for providing deposition testimony today.

14:55:56 18 Is that compensation coming from Kik
14:56:00 19 Interactive, Inc.?

14:56:01 20 MR. DEJARNETTE: Objection.

14:56:02 21 THE WITNESS: I don't know. I
14:56:04 22 haven't --

14:56:04 23 BY MR. MENDEL:

14:56:04 24 Q. Well, who is going to pay, who is
14:56:06 25 going to write you the check?

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14:56:08 1 A. I think Kik, yes.

14:56:10 2 Q. And did Kik pay you last year? Did
14:56:21 3 the money come from Kik last year when you
14:56:23 4 provided investigative testimony?

14:56:24 5 A. Yes.

14:56:25 6 Q. Do you remember how, in addition to
14:56:29 7 the day of testimony you provided last year, do
14:56:32 8 you remember how long it took you to prepare for
14:56:33 9 last year's testimony?

14:56:35 10 A. Yes, we had a day of preparation
14:56:39 11 before that.

14:56:41 12 Q. Anything else?

14:56:42 13 A. I read through many documents as
14:56:49 14 preparation as well.

14:56:52 15 Q. And, what was your salary last year
14:56:56 16 during October of 2018?

14:56:57 17 A. [REDACTED] Canadian dollars per year
14:57:00 18 plus [REDACTED] in variable bonus.

14:57:02 19 Q. Okay. So, applying the methodology
14:57:04 20 we just went through to last year because it
14:57:07 21 would be roughly the same amount of compensation,
14:57:09 22 correct?

14:57:09 23 A. Correct.

14:57:10 24 Q. A day of testimony plus a day of
14:57:12 25 prep beforehand?

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14:57:13 1 A. Yes.

14:57:13 2 Q. Great. I have no further questions
14:57:16 3 today.

14:57:17 4 A. Okay, thank you.

14:57:20 5 MR. MENDEL: Thank you.

14:57:21 6 MR. DEJARNETTE: We have no further
14:57:22 7 questions, either, or we have no questions,
14:57:24 8 either.

14:57:25 9 THE VIDEOGRAPHER: Okay. The time
14:57:27 10 is 2:58 p.m. November 5th, 2019. Going off
14:57:31 11 the record completing the videotaped
14:57:32 12 deposition.

13 (Whereupon, signature not having been
14 waived, the deposition concluded at 2:58 p.m.)

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